

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6215

BILL NUMBER: HB 1008

DATE PREPARED: Jan 19, 2000

BILL AMENDED: Jan 18, 2000

SUBJECT: Local government matters.

FISCAL ANALYST: Beverly Holloway

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) Provision #1. This bill provides that a city, town, or school corporation may post notices at a post office, bank, or public building in which the respective governing bodies meet only if the city or town does not have a city or town hall, or the school district does not have an administration building.

Provision #2. A person who owes delinquent property taxes is prohibited from purchasing real property at a tax sale or at a sheriff's sale of real property to which the county has obtained title.

Provision #3. This bill revises the procedure for refunding Inheritance Tax that has been erroneously or illegally collected.

Provision #4. This bill allows a solid waste management district in Vanderburgh County to contract for air quality attainment, mowing, litter pickup, pruning, and waste service on rights-of-way, public property, and vacant property.

Provision #5. This bill requires a change in city, town, or school corporation notice postings.

Provision #6. A local official who attends a state-called conference is entitled to receive reimbursement for meals.

Provision #7. This bill adds to the list of officials before whom the recording of a real property conveyance may be proved.

Provision #8. Municipal courts are removed from the distribution of the qualified municipality share of court fees.

Provision #9. Funds that are appropriated for clerk-treasurer legal expenses are required be allocated to the clerk-treasurer.

Provision #10. This bill provides that a county clerk is not personally liable for dishonored checks presented for the payment of fees, court ordered payments, or licenses. A county recorder is not personally liable for dishonored checks presented for the payment of fees. And, a county treasurer is not personally liable for an act or omission occurring in connection with the performance of the county treasurer's official duties, except under certain circumstances.

Provision #11. Documents submitted to a county recorder must be legible.

Provision #12. One copy of the financial records of each agency, board, commission or district or other municipal entity must be filed with the municipal fiscal officer.

Provision #13. This bill repeals statute requiring the county auditor to collect a fee for each assessed value deduction application received from a property taxpayer.

Provision #14. This bill provides that in counties other than Marion County, the municipal legislative body or the county executive must give final approval to a declaratory resolution that has been adopted by a redevelopment commission.

Provision #15. Allows a town board of metropolitan police commissioners to provide for a one year probationary period for town police officers.

Provision #16. Changes are made regarding filings to collect delinquent municipal sewer fees.

Effective Date: January 1, 2000 (retroactive); July 1, 2000.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) Provision #3. This bill streamlines the administration of refunding Inheritance Taxes that were erroneously or illegally collected. This provision would not impact the collection of Inheritance Tax.

Explanation of Local Expenditures: (Revised) Provision #4. This bill adds air quality attainment, mowing, litter cleanup, pruning and trimming of shrubs, trees, and other vegetation, and waste services on a right-of-way, public property, or vacant property to the operation costs that may be paid by the Vanderburgh County Solid Waste Management District. Currently the District does not have a levy. However, this bill would allow the District to use money from the levy for the new purposes if and when a levy is established.

Provision #5. This bill no longer requires the posting of a notice in the post office in the municipality or school corporation (or at a bank if there is no post office). This provision will reduce the number of places that a notice must be posted. The fiscal impact of this provision is negligible to a city, town or school corporation.

Provision #6. This bill provides that each local official attending a state-called conference will be reimbursed for meals purchased while attending the conference. The fiscal impact of this provision is minimal and will vary among local units of government.

Provision #10. Currently a county treasurer can be held liable in an individual capacity for any act or omission in connection with the performance of specific duties. A county treasurer may be sued in both a professional and individual capacity. The double lawsuits increase the legal expenses for both a governmental entity and an individual. This provision provides that a county treasurer is not liable in an individual capacity for acts or omissions occurring in connection with the performance of certain duties unless the act or omission constitutes gross negligence or intentional disregard of the duties. The fiscal impact of this provision is indeterminable and dependent on the number of settlements and claims paid by a political subdivision.

Provision #14. This provision would increase the administrative responsibilities of a municipal legislative body or the county executive. The expenses incurred with the additional responsibilities can be absorbed within the existing budget of a municipal legislative body or the county executive.

Provision #16. Current law provides that the list of landowners with delinquent municipal sewer fees may not be prepared more than four times a year. This bill provides that the list may be prepared as often as the officer charged with collecting the fees determines is necessary in a calendar year. The county recorder may collect a filing fee under IC 36-2-7-10 for the filing of a list. Fees range from \$1-\$15 depending on a number of factors including but not limited to page sizes of the document, acknowledging or certifying a document, and proofreading any copy presented for certification. The fiscal impact of this provision is indeterminable and is dependent on the recording fee charged by a county and the number of times a municipality files a list of delinquent municipal sewer fees.

Provisions #1, #2, #7, #8, #9, #11, #12 and #15: No fiscal impact.

Explanation of Local Revenues: (Revised) Provision #6. A current statute provides that a circuit court clerk and a county recorder are personally liable for dishonored checks as well as all fees and penalties associated with accepting a dishonored check. This bill eliminates this liability if the acceptance of a check was not an act or omission constituting gross negligence or an intentional disregard of the responsibilities of the circuit court clerk or the county recorder. The fiscal impact is indeterminable and dependent on the county's ability to collect the amount of the dishonored check as well as the fees and penalties associated with the dishonored check.

Provision #9. There is a \$1 fee for each deduction application fee submitted to the county auditor. The fee is deposited in the county general fund. There were approximately 927,000 mortgage deductions statewide in CY 1999. The net increase or decrease of mortgage deductions cannot be determined and is dependent on the number of paid mortgages, new mortgages, and refinanced mortgages. The fiscal impact of this provision cannot be determined but the reduction in revenue will vary among counties.

Provision #16. Allowing more than four filings could potentially increase the amount of revenue collected by a municipality from delinquent municipal sewer fees. The fiscal impact is indeterminable and will vary among municipalities.

There would be an increase in revenue to a county from the increased number of filings by a municipality. The amount of revenue generated from the additional recording fees allowed in this bill will vary among counties. Specific fees collected by the county recorder are deposited in the Recorder's Records Perpetuation Fund which is used for the preservation of records and the improvement of record keeping systems and equipment.

State Agencies Affected: Department of State Revenue.

Local Agencies Affected: County recorders; County treasurer; County auditor; Counties; Townships; Cities; Towns; School corporations; School corporation officers; Circuit court clerk; Municipal legislative body; County executive; Redevelopment commission; Vanderburgh County Solid Waste Management District.

Information Sources: Diana Cordray, Carmel Clerk-Treasurer, (317) 571-2400. Charlie Pride, State Board of Accounts, (317) 232-2521. Local Government Database.